

PART V: IMPLEMENTING THE ACTION PLAN

The economic development element of the State Guide Plan, the *Economic Development Policies and Plan*, lays the groundwork for actions that address the development of industries with high potential, employment enhancement and job training, public and private investment, industrial sites and infrastructure, economic and cultural diversity, and many other topics. Through Rhode Island's CEDS, planners and practitioners in the public and private non-profit sectors – at the state, regional, and local levels – are encouraged to submit creative project proposals that implement their own economic development strategies, consistent with the *Plan's* long-term objectives.

A. Program and Project Selection

The Rhode Island CEDS has its own Priority Project Rating System. The system involves four distinct steps, as follows:

- Step 1: Threshold Review

All project applications are first reviewed by Statewide Planning staff (the CEDS staff) for completeness. In the case of a community submitting projects, "completeness" includes evidence, in the form of an official council resolution, that the city or town council has endorsed those projects. Project applications that are found to be deficient are returned to the applicant. The applicant may then submit the required supplementary material, or withdraw the projects.

The staff then reviews all projects for consistency with applicable elements of the State Guide Plan. If a project is found not to be consistent with the State Guide Plan, Statewide Planning staff will contact the applicant to try to resolve the problem. If the problem cannot be resolved, a report describing the respects in which the project was found to be inconsistent will be prepared and sent to the applicant, with notice that the project will not be considered for inclusion in the CEDS.

As noted previously in this report, the applicant must also establish that his or her project will implement at least one specific objective and policy in the *Economic Development Policies and Plan*.

It must be noted here that a project that successfully makes it past the threshold review and scores well enough to make the Priority Project List will undergo a more

thorough consistency review under Executive Order (E.O.) 12372 when its sponsor submits an application for EDA funding. The E.O. 12372 process reviews all direct federal actions and federally funded projects or programs for consistency with state and local plans, including elements of the State Guide Plan. The E.O. 12372 review is also conducted within the Statewide Planning Program although not by the CEDS staff.

At present, some of the projects in Rhode Island's CEDS may only be in the "concept" stage. Therefore, although a threshold test is possible, the E.O. 12372 review is not practical and should not be assumed to have taken place.

- Step 2: CEDS Priority System Evaluation (Scoring)

All project submissions found to be complete and in conformance with the State Guide Plan under Step 1 are then evaluated by Statewide Planning using the criteria established in the Priority System. These criteria are developed, refined and revised in collaboration with the CEDS Subcommittee. They are ultimately approved and promulgated by the highest level of the CEDS Committee, the State Planning Council. In 2002, the Priority System rated:

- Job development potential and anticipated wage levels;
- Area of influence (statewide, regional, or local only);
- Environmental factors;
- Status of necessary studies and permits;
- Commitment of non-federal funds to the project;
- Whether the project was located in a designated labor surplus area;
- Whether the project was located in a state-designated Enterprise Zone or Federal Enterprise Community;
- Per capita income;
- Priority the applicant had assigned the project; and
- Status of the local comprehensive plan (state-certified or under review).

The application forms that accompany each project submission provide this information to the CEDS staff. Each proposal is then awarded a numerical score based on the above criteria. All those projects whose scores are above the median are placed on the Priority Project List.

The scoring formula is presented in detail in Appendix A.

The CEDS staff considers all projects on the Priority Project List to be of equal priority and does not try to discriminate between “top priority” and “secondary priority” proposals. Often the scoring results in ties or bunches of projects with scores separated by only one or two points (out of a possible 200), making further categorization difficult and open to dispute. Each project on the Priority Project List is considered, at a minimum, to have satisfied all threshold requirements and established its potential for being funded under EDA’s own eligibility rules. The scoring criteria under the Priority System take these eligibility rules into account and reward applicants for meeting them.

- Step 3: Review and Endorsement by the CEDS Subcommittee

Following the assignment of scores and Priority Project listing, successful proposals are presented to the CEDS Subcommittee for review and endorsement. This review offers an opportunity for the Subcommittee to assess the effectiveness of the Priority System in selecting projects with the potential not only of being funded by EDA, but of implementing the objectives and policies of the *Economic Development Policies and Plan*. The CEDS Subcommittee’s role includes making changes to the Priority System when necessary to improve the project solicitation or scoring process, with the changes taking effect the following year.

- Step 4: CEDS Committee Approval and Applicant Notification

The Subcommittee reports its findings, including the project scores, listing and all supporting documentation, to the Technical Committee of the State Planning Council. The Technical Committee will endorse or amend the Subcommittee’s findings and forward such findings to the State Planning Council for action. Approval by the State Planning Council concludes the process, as the Planning Council is the last tier of the CEDS Committee.

Successful and unsuccessful applicants are notified by letter of the status of their projects. Those who made the Priority Project List are advised to make the necessary contact with EDA to initiate their applications for funding if they have not done so already.

Linkages between the CEDS and the *Economic Development Policies and Plan* are apparent in Step 2 of the Priority System. The criteria developed for Step 2 (p. 92) address specific needs identified in the *Plan* as well as issues that must be addressed to ensure consistency of CEDS projects with other elements of the *State Guide Plan*. The “job development potential and anticipated wage levels” and “labor surplus area” criteria, for example, flow directly from the *Plan*’s Objective A: Employment (p. 84). “Environmental

factors” and “Enterprise Zone” relate to Objective B: Facilities and to Objective C: Climate — and, under these objectives, to Policies B-1, B-2, B-4, B-6, B-8, C-5 and C-7 (pp. 85-88). “Area of influence” indicates the preference for a statewide or regional impact as opposed to a strictly local one, recalling the focus of Policies C-2, C-3, C-4 and C-7 (p. 88). “Status of the local comprehensive plan” rewards those applicants with projects located in a community with a state-certified plan, which facilitates consistency and coordination between local and state economic development programs. This implements Policies A-8, B-9, and C-2.

An examination of the criteria and the scoring formula found in Appendix A will make these connections more obvious. It will also indicate how the criteria satisfy broader considerations, such as:

- How we expect the unemployed and underemployed in Rhode Island to benefit from the CEDS. We award points based on how many permanent, non-construction jobs are to be generated per EDA dollar invested – and what the anticipated wages will be;
- The economic programs we hope to tap. For the CEDS, this is gauged by the amount and source of non-federal support the applicants are committing to the project, and whether they take advantage of the initiatives for redevelopment in the Enterprise Zone, mill building and brownfields programs;
- The geographic locations of development activities and investment. The system rewards projects located in an Enterprise Zone, labor surplus area, or an area of low per capita income, or within the “built environment” as a way of promoting smart growth; and
- How economic development programs will be sponsored and managed. This is also indicated by the amount and source of non-federal support for the project, and by the priority the applicant has assigned his or her project.

B. Course of Action and Implementation Schedule

The CEDS Course of Action is highlighted by the current year’s Priority Project List. The proposals on the List are solicited from all of Rhode Island’s municipalities, the Narragansett Indian Tribe, state and quasi-public agencies, colleges and universities, and regional and local non-profit development corporations.

In 2002, 14 municipalities, one quasi-public corporation, one non-profit and one academic institution responded to the solicitation, submitting a total of 40 projects. The number of projects allowed each city or town applicant was limited according to population, with the towns with the fewest inhabitants being allowed two projects and the city with the

most, Providence, six. Academic institutions and affiliated public policy centers were permitted one project; regional agencies or non-profits were allowed the number assigned their most populous community; and state agencies and quasi-publics were allowed six (mirroring Providence).

After aggregate scores for the project were determined, those scoring above the median were placed on the Priority Project List. The List included 21 projects from 13 applicants. All projects involved construction, with the exception of a planning proposal from the Aquidneck Island communities of Portsmouth, Middletown and Newport, and a technical assistance proposal to establish a partnership between the Town of Smithfield and the R.I. Manufacturing Extension Service. The CEDS Committee's final approval was granted at the State Planning Council's meeting of June 13, 2002.

Table 13 is this year's Priority Project List. The projects are listed in alphabetical order, by applicant. They are *not* in "priority order," with the highest priority projects at the top. All are still considered to be of equal priority because they all can implement objectives and policies in the *Economic Development Policies and Plan*. In the table, in the second column, the objectives are indicated by the letters A, B and C, the policies by number. The "jobs anticipated," rightmost column, are permanent, non-construction jobs generated and induced by the project. Economic multipliers derived from the RIMS II model are included in their calculation.

Table 13
EDA PRIORITY PROGRAM — FY2002-2003

PROPOSED PROJECTS <u>Description/Applicant</u>	STATE <u>OBJECTIVES/POLICIES</u>	FUNDING SOURCE <u>Amount/Total (\$)</u>	START/ STOP DATE	AGENCY <u>RESPONSIBLE</u>	JOB <u>ANTICIPATED</u>
Trolley Transit for Mt.Hope Enterprise Zone Town of Bristol	B 3, 8, 15	EDA 1,000,000 CDBG 1,000,000 Local <u>100,000</u> Total 2,100,000	Oct-2003 Sept-2004	Mt Hope Economic Development Corp	200
High Technology Trade Training Program Bryant College	A 6	EDA 1,050,000 State 800,000 Private <u>250,000</u> Total 2,100,000	Oct-2002 Oct-2004	Bryant College RI Export Assistance Center	192
Central Falls Landing Project City of Central Falls	B 2, 4, 5	EDA 1,000,000 CDBG 410,000 BRVNHCC 70,000 State 220,000 RIEDC 500,000 Local 590,000 Private <u>1,000,000</u> Total 3,790,000	Initiated 2003-04	City of Central Falls	67
Knightsville Arts, Entertainment and Cultural Center City of Cranston	B 1, 4, 5	EDA 375,000 Local <u>545,000</u> Total 920,000	Sep-2002 Jan-2004	City of Cranston	115
New Providence YMCA "Village of Promise" Greater Providence YMCA	A 3 B 1, 4	EDA 2,000,000 HUD 2,000,000 RIEDC 150,000 Local 3,500,000 Private <u>7,910,000</u> Total 15,560,000	N.S.	Greater Prov. YMCA	198
Groundwater Source Development and Branch R. Regional Water System Town of North Smithfield	B 1, 2	EDA 2,450,000 Local 1,800,000 Private <u>650,000</u> Total 4,900,000	Fall-2002 Fall-2003	No. Smithfield Water Authority	2,866
Improvements to Pawtucket Armory City of Pawtucket	B 8	EDA 1,000,000 Local <u>300,000</u> Total 1,300,000	Sep-2002 Sep-2003	City of Pawtucket	40

West Side Master Plan Towns of Portsmouth, Middletown & City of Newport	B	1	EDA State Local	125,000 50,000 <u>75,000</u> 250,000	Jan-2003 Jun-2004	Aquidneck Is. Planning Commission	19
Mill Restoration City of Providence	B	6, 16	EDA Local	5,000,000 <u>500,000</u> 5,500,000	Jul-2003 N.S.	Prov.DPD & Prov. Redevelopment Agency	822
New Cities City of Providence	B	2, 4, 6	EDA Local Private Total	5,000,000 25,000,000 <u>75,000,000</u> 105,000,000	Jul-2002 Jul-2006	Prov. Redevelopment Agency	2,433
Southside Development Partnership City of Providence	A B C	1, 5, 6, 9 2, 6, 16 2, 6, 7, 8	EDA RIEDC Local Private Total	5,000,000 3,500,000 1,000,000 <u>3,500,000</u> 13,000,000	Jul-2002 Jul-2004	Prov. DPD, South Prov. Development Corp., Prov. Redevelopment Agency, Prov. Plan	72
Woonasquatucket Greenway/ Brownfields City of Providence	B	2, 4, 6	EDA State Local Private Total	2,000,000 1,893,935 3,000,000 <u>1,096,022</u> 7,989,957	Sep-2002 Jul-2004	Prov. DPD	596
Commerce Park Roads & Utilities, Quonset/Davisville RI Economic Dev. Corp.	B	7	EDA RIEDC Total	1,422,380 <u>1,422,380</u> 2,844,760	2003 2010	RIEDC	3,000
Davisville Bulkhead Replacement South of Pier 1, Davisville RI Economic Dev. Corp.	B	2	EDA RIEDC Total	2,000,000 <u>2,000,000</u> 4,000,000	2003 2004	RIEDC	2,200
Executive Park Roads & Utilities Construction, Quonset/Davisville RI Economic Dev. Corp.	B	7	EDA RIEDC Total	650,000 <u>650,000</u> 1,300,000	2003 2004	RIEDC	2,000
Reconstruction of West Davisville Main Railroad Line, Quonset/Davisville RI Economic Dev. Corp.	B	1	EDA RIEDC Total	1,450,000 <u>1,450,000</u> 2,900,000	2003 2004	RIEDC	1,506
Smithfield-RIMES Manufacturers Partnership Project Town of Smithfield	B C	1 1	EDA RIMES Private Total	50,000 50,000 <u>12,500</u> 112,500	Nov-2002 Aug-2004	Town of Smithfield & RI Mfg. Extension Service	19

Commercial Fishing Docks Town of Warren	B 2, 9, 12 C 2, 3, 5, 9	EDA State Total	500,000 <u>500,000</u> 1,000,000	May-2003 Oct-2003	Town of Warren	22
Town Wharf Town of Warren	A 4, 9 B 1, 2, 3, 8 C 3, 5, 9	EDA State Private Total	1,500,000 1,000,000 <u>1,000,000</u> 3,500,000	Sep-2002 Jun-2003	Town of Warren	44
Allen St. Historic District Streetscape Improvements City of Woonsocket	B 1, 2, 4, 8	EDA State CDBG Total	146,700 146,700 <u>32,600</u> 326,000	Spring-2003 Fall-2003	City of Woonsocket	30
Cumberland Hill Rd. Redevelopment Woonsocket	A 1, 9 B 2	EDA Local Total	712,500 <u>712,500</u> 1,425,000	Spring-2003 Spring-2004	City of Woonsocket	623

N.S. = Not supplied by applicant

While the projects on the Priority Project List are considered of equal priority, and all very competitive, the CEDS staff recognizes that it is highly unlikely to obtain EDA funding for all or even most of them at the requested levels in a single fiscal year. Our course of action for *this* year thus anticipates project activity in *subsequent* years if the applicants remain committed to projects that do not gain EDA funding in this cycle. *This is the reason that, every year, we invite applicants to resubmit projects that did not receive EDA funding that year even though they were included in the CEDS.*

The Comprehensive Economic Development Strategy is therefore necessarily a multiyear program. With the direct connection of the CEDS to the long-range *Economic Development Policies and Plan*, this does not present a problem. Applicants ready to approach EDA for funding are likely to have all the necessary studies done, permits in hand or in process, and non-federal support already committed. Other applicants, with the opportunity to resubmit proposals, can revise them as circumstances change to keep the program current with EDA philosophy or a new economic development agenda on the local level. As the first group advances to funding, so will the second. We expect new projects, or newly revised projects, to come forward every year. This has been our experience since the last *Update* was published, in 1997.

- The CEDS Priority Project List as “Action Items”

This year’s Priority Project List contains projects that address Rhode Island’s need for:

- Fully serviced industrial sites;
- Reuse of industrial facilities in the central cities;
- Major pollution abatement capital improvement; and
- Expansion of resource-based industries, particularly tourism, marine shipping, and fishing.

Identification of these needs originated with the *Economic Development Strategy*, predecessor to the *Economic Development Policies and Plan*, in 1986. They remain relevant today, and are reflected in the objectives and policies of the *Plan* – as well as other elements of the State Guide Plan.

The CEDS Committee has endorsed the Priority Project List and confirmed its relevance to the *Economic Development Policies and Plan*. However, their endorsement also certifies the consistency of every project on the List with all the other elements of the

State Guide Plan, including the *Industrial Land Use Plan* (RI Statewide Planning Program, 2000b) and *Land Use 2010: State Land Use Policies and Plan* (RI Statewide Planning Program, 1989). Both land use elements have strong environmental components.

The staff's determination of consistency with the State Guide Plan is part of our Threshold Review, Step 1 of the Priority Project Rating System. Unless this "threshold" is successfully crossed, and a project is deemed consistent with elements addressing land use, transportation, human services and housing as well as economic development, that project will not be included in the CEDS. The review of each project for consistency with the State Guide Plan is *the most comprehensive review possible* on this scale, as it covers issues with which the goals of economic development are consonant, and other issues where conflicts may arise.

Because this is a statewide CEDS, there must be room for projects that address the need for fully serviced industrial sites in suburban areas and the reuse of industrial sites in our central cities. Prioritizing between what might in some instances be competing goals – such as developing a campus-like suburban industrial park as opposed to renovating mill buildings and inner-city brownfields – would be difficult without the scoring and subcommittee review that comprise Steps 2 and 3 of the Priority Project Rating System.

Rhode Island's experience, particularly our inventory of underutilized urban industrial properties, favors reuse, by favoring urban, distressed areas and projects within them. Rhode Island's Enterprise Zone Program and the adjunct Mill Building Revitalization Program are at the very core of the state's urban policy. This is all reflected clearly in the following criteria from Step 2, the CEDS Priority System Evaluation, which award points for:

- Environmental factors (projects that rehabilitate brownfield sites and mill buildings, are located in historic districts or on listed properties, or otherwise make use of the "built environment");
- Location in a designated labor surplus area (an area of relatively high unemployment, an indicator of distress);
- Location in an Enterprise Zone (and/or active recruitment and transportation of Enterprise Zone residents for employment); and
- Low per capita income (80 percent or less of the national average, typically found in inner-city Census tracts).

On the other hand, the Rhode Island CEDS could support development outside the urban hubs if job development potential is high, employees are drawn in from distressed areas, the necessary permits are secured, studies are completed, and non-federal funds –

particularly from the private sector – are committed. These criteria are included in Step 2 as well.

Setting Priorities in the CEDS

One criterion in Step 2 that is particularly important is the priority the applicant has assigned to a project. It is typical for a city or town to submit more than one, even several projects to the CEDS Committee, depending on their project allotment. It is presumed that the project designated “number one” by the applicant considers is considered crucial. Such ranking by the applicant provides a valuable insight into his or her own economic development agenda, as well as extra points for the project’s score. Accommodating that agenda is a means of garnering local support for the program as a whole.

Formerly the CEDS staff assigned its own priorities to the projects that made the Priority Project List: “top,” “high,” “secondary” and “low.” A proposal would be elevated from one of those categories (determined solely by score) to the next – e.g., from “high” to “top” – if the staff decided that the proposal would implement an objective and policy of the *Economic Development Policies and Plan*. Now, such implementation is not optional; it is a threshold requirement, so there can be no “extra credit” for a project that scores somewhere, for example, on the middle of the List.

Because of this and for other reasons, we have abandoned assigning priorities and now consider all projects on the List to be of equal priority. This has two strong benefits to the program. It prevents disputes over scoring from applicants feeling themselves stigmatized by a lower priority rating, and it avoids having EDA turn away from an otherwise acceptable project because the CEDS staff has assigned it something less than top priority. We are confident that the improvements we have made over the years and continue making to the Priority Project Rating System are able to select projects of sufficient quality to be supported, with equal confidence, by the state and by EDA.

The CEDS and Rhode Island’s “Needs”

Because the CEDS addresses Rhode Island’s “need for” fully serviced industrial sites, the reuse of industrial facilities in the central cities, major pollution abatement capital improvements, and expansion of resource-based industries, each project on the Priority Project List may be considered an action item. Table 14 classifies this year’s CEDS projects under those four topics, and serves to emphasize that even those projects that ultimately are not funded by EDA are desirable as long-term economic development

strategies. This table should be compared with Table 13, which indicates how each project implements an objective and policy (or several) in the *Economic Development Policies and Plan*.

One last word: there is a “need” not considered in Table 14, and that is to improve two aspects of Rhode Island’s *social* infrastructure, the skills of its workforce and the vitality of its companies. This need can be met by two projects, respectively – the High Technology Training Program proposed by the R.I. Export Assistance Center at Bryant College, and the Smithfield-RIMES Manufacturers Partnership proposed by the Town of Smithfield. Both projects are listed in Table 13, with the objectives and policies they address in the *Economic Development Policies and Plan*, and have been endorsed as part of the Priority Project List by the CEDS Committee. As such, they should be considered of equal importance and priority to the other projects on the List even though they do not fall into one of the categories in Table 14.

Table 14
RHODE ISLAND COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY:
STATE “NEEDS” AND SELECTED PROJECTS

Need 1. Fully serviced industrial sites

- Groundwater Source Development, North Smithfield (Town of North Smithfield)
- Commerce Park Road and Utilities, Quonset Davisville (RIEDC)
- Executive Park Roads and Utility Construction, Quonset Davisville (RIEDC)
- Reconstruction of Rail Lines, Quonset Davisville (RIEDC)

Need 2. Reuse of industrial facilities

- Central Falls Landing Project, Central Falls (City of Central Falls)
- New Providence YMCA, Providence (Greater Providence YMCA)
- Improvements to the Pawtucket Armory, Pawtucket (City of Pawtucket)
- West Side Master Plan, Portsmouth, Middletown & Newport (Town of Portsmouth)
- Mill Restoration, Providence (City of Providence)
- New Cities, Providence (City of Providence)
- Southside Investment Partnership, Providence (City of Providence)
- Woonasquatucket Greenway, Providence (City of Providence)
- Allen Street Streetscape Improvements, Woonsocket (City of Woonsocket)
- Cumberland Hill Road Redevelopment, Woonsocket (City of Woonsocket)

Need 3. Major pollution abatement capital improvements

- Utility construction/reconstruction projects at Quonset Davisville mitigate stormwater runoff
- Most projects listed under Need 2 involve brownfields remediation

Need 4. Expansion of resource-based industries (tourism, marine shipping, fishing)

- Trolley Transit for Mt. Hope Enterprise Zone, Bristol & Warren (Town of Bristol)
- Knightsville Arts Center, Cranston (City of Cranston)
- Davisville Bulkhead Replacement, Quonset Davisville (RIEDC)
- Commercial Fishing Dock, Warren (Town of Warren)
- Town Wharf, Warren (Town of Warren)